

## Message Text

UNCLASSIFIED

PAGE 01 STATE 304926  
ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07  
FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02  
CIEP-02 LAB-04 SIL-01 OMB-01 L-03 /071 R

DRAFTEC BY: XMB: J. C. FLEIG

APPROVED BY:EB/IFD/ODF: FHThomas

XMB: R. J. ALBRIGHT

EUR/CE: SKIWEGEMEN

XMB: J.D. BIERRAN

EUR/EE: I SENDER

----- 033980 /67

R 162005Z DEC 76

FM SECSTATE WASHDC

TO AMEMBASSY WARSAW

AMEMBASSY VIENNA

UNCLAS STATE 304926

E.O. 11652: N/A

TAGS: EGEN/PL

SUBJ: FINANCING FOR SALE OF STEEL MILL EQUIPMENT TO POLAND

WARSAW FOR LAMBERTY; VIENNA FOR AMBACH.

1. ON NOVEMBER 30, 1976 EXIMBANK ISSUED A PRELIMINARY COMMITMENT TO FINANCE 42.5 PERCENT OF THE PROPOSED 23.5 MILLION DOLLAR SALE OF STEEL PICKLING AND SLITTING EQUIPMENT BY THE PRODUCTION MACHINERY CORPORATION TO POLAND FOR USE IN THE LENIN STEEL WORKS AT KRAKOW. INTEREST RATE ON POSSIBLE EXIM LOAN WOULD BE 8.75 PERCENT AND TOTAL TERM WOULD BE 9.5 YEARS WHICH INCLUDES 2 YEARS GRACE AND 7.5 YEARS REPAYMENT, WITH EXIMBANK REPAYED AFTER PRIVATE LENDER. PRODUCTION MACHIN-

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 304926

ERY NOW ADVISES THAT SALE HAS BEEN LOST TO AUSTRIAN FIRM (POSSIBLY VOEST), AND THAT AUSTRIAN FINANCING PROVIDES 4 YEAR GRACE PLUS 10.5 YEAR REPAYMENT AND INTEREST RATE OF 7.75 PERCENT FIXED FOR 60 PERCENT OF CONTRACT AND LIBO WIT CEILING OF 6.75 PERCENT FOR 40 PERCENT.

2. EXIM WOULD APPRECIATE ASSISTANCE OF BOTH ADDRESSEES IN ATTEMPTING TO PIN DOWN THE ALLEGED AUSTRIAN FINANCING. ON NOVEMBER 30 OKB ADVISED EXIM AS WELL AS OTHER EXPORT CREDIT AGENCIES THAT IT HAD NOT BEEN APPROACHED AND WOULD NOT COMENT ON TERMS. EXIMBANK BELIEVES THAT A HELPFUL CONTACT IN VIENNA WOULD BE DR. HASCHEK IN OKB. THIS ASSISTANCE WILL BE HELPFUL SINCE U.S. SUPPLIER EXPECTS TO BE BIDDING ON SIMILAR BUSINESS IN THE FUTURE.

ROBINSON

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, EQUIPMENT, STEEL, INDUSTRY, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE304926  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760463-0759  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761236/aaaabeyg.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** schwenja  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 JUN 2004 by williarl>; APPROVED <25 AUG 2004 by schwenja>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FINANCING FOR SALE OF STEEL MILL EQUIPMENT TO POLAND WARSAW FOR LAMBERTY; VIENNA FOR AMBACH.  
**TAGS:** EGEN, PL, US, XMB  
**To:** WARSAW VIENNA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006